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TARGET'S STATEMENT

Winpar Holdings Limited

ACN 003 035 523

This is the target's statement of Winpar Holdings Limited in response to the off-market takeover bid by Trent Capital Limited (ACN 001 746 710) for all shares in Winpar Holdings Limited

The directors of Winpar unanimously recommend that Winpar shareholders

REJECT

the inadequate takeover offer from Trent Capital Limited

Financial advisers



Legal advisers

Stephen Blanks &
Associates

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IMPORTANT DATES

Date of the Trent offer	11 December 2003
Date of this target’s statement	24 December 2003
Date of the Trent offer conditions notice	12 January 2004
The Trent offer expires (unless extended)	19 January 2004

ASIC LODGEMENT

A copy of this target’s statement has been lodged with the Australian Securities and Investments Commission. Neither the Australian Securities and Investments Commission nor any of its officers take any responsibility for the content of this target’s statement.

INVESTMENT ADVICE

This target’s statement does not take into account the investment objectives, financial situation or particular needs of individual shareholders. Each shareholder should obtain independent financial, investment, legal and taxation advice before deciding whether or not to accept the Trent offer.

RECOMMENDATION OF THE WINPAR DIRECTORS

The directors of Winpar unanimously recommend that Winpar shareholders **REJECT** the Trent offer.

All the Winpar directors intend to reject the Trent offer in respect of shareholdings under their control.

The Trent offer should be rejected for three reasons:

1. The Trent offer is **INADEQUATE**
2. Trent is a **LESS ATTRACTIVE** investment vehicle than Winpar
3. Winpar's portfolio contains **UNLOCKED VALUE** not recognised in NTA comparisons.

THE TRENT OFFER IS INADEQUATE

The Trent offer is 2 Trent shares for every 3 Winpar shares. The unaudited NTA per Winpar share as at 30 November was \$1.12 after providing for income tax on unrealised gains. The NTA per Trent share as at 30 September 2003 (the latest date that this figure is available) was \$0.89, prior to the acquisition of any Winpar shares pursuant to the Trent offer. On this basis, the Trent offer is 2 Trent shares which together have an NTA of \$1.78, for 3 Winpar shares which together have an NTA of \$3.36.

On the basis of pre-bid NTAs, the Trent offer is at a discount of 47.0 per cent.

TRENT IS A LESS ATTRACTIVE INVESTMENT VEHICLE

The consideration offered by Trent under the Trent offer is wholly Trent shares. The Winpar directors consider that Trent is a less attractive investment vehicle than Winpar.

There are four bases for this view:

1. Trent has a substantially higher cost base than Winpar

The managing director of Trent is paid \$100,000 per annum. This is offset to the extent that director's fees earned by the managing director from external board appointments are paid to Trent. The chairman and the non-executor director of Trent are paid fees of \$75,000 per annum. This is taken in shares.

The Winpar directors provide their services to Winpar without charge.

Winpar is provided with office accommodation and telephone usage without charge by Cameron Stockbrokers.

The listing fees payable by Winpar to the NSX are substantially lower than those paid by Trent to the ASX.

2. Trent's investment management capability is unproven

The investment performance of Trent is largely dependent upon the Trent managing director. Trent has insufficient track record under its current management to demonstrate its capability to be successful in its chosen areas of investment.

Trent's managing director was until early this year employed as the head of an equities investment team managing in total in excess of A\$10 billion. The move from that role to that of managing director of Trent represented a significant career change, which suggests that Winpar shareholders should be cautious of the Trent representations as to its investment capability until a reliable track record emerges.

3. Previous dealings with Winpar by Trent’s managing director and non-executive director

On 19 November 2002, Mr Paul Young of Baron Partners Limited, who is now a non-executive director of Trent, sent a letter to Winpar proposing in some details the terms of a proposed merger between Winpar and a company of which the largest aggregate shareholdings were held by the family of Mr Andrew Brown, Trent’s current managing director, who was at that date employed as head of Australian equities by Sagitta Wealth Management (“Sagitta”), a subsidiary of Westpac Banking Corporation (“Westpac”).

In January 2003, Mr Brown left his employment with Sagitta. Subsequently, he sought damages from Westpac and Sagitta reported to be in excess of \$3 million being equal to the amount allegedly due to him had he worked out his contract to 30 September 2005.

On 20 May 2003 in the Supreme Court of NSW, under cross-examination from Westpac’s counsel, Brett Walker QC, Mr Brown said he disagreed with the letter (of 19 November 2003) but admitted he had presented the proposal it contained to the Winpar board without informing them that he disagreed with it, hoping to gain access to the board to secure an “unspecified transaction”.

He agreed that conduct with the intent to deceive to obtain commercial advantage was “dishonourable” but denied his own conduct was “dishonest”.

The transcript of the cross-examination is available from the Supreme Court of NSW. The case reference is N050011/03 – *Andrew Brown v Westpac Banking Corporation and ors.* A copy of the transcript and 19 November 2002 letter may be inspected at Winpar’s offices during business hours.

4. Winpar is preparing a new business plan

For some time the Winpar directors have recognised the need to implement more stringent management and corporate governance procedures in keeping with recent changes adopted by most listed companies. The Winpar board has determined that should Winpar remain independent of the control of Trent or any other bidder, it will conduct a comprehensive review of its strategic plan and operations.

WINPAR’S PORTFOLIO CONTAINS UNLOCKED VALUE

Winpar has a substantial portfolio of preference shares whose value depends to a material degree on the legal recognition of the right of their holders to participate in the special benefits which accrue to their acquirer when minority shareholders are eliminated by compulsory acquisition. Winpar has incurred considerable expense in seeking to have this principle recognised at law, without success to date. Nevertheless, Winpar’s directors hold the view, supported by legal advice, that the principle has merit, and further steps are under consideration aimed at unlocking the value inherent in these shares which would flow from a successful appeal of one or more of the past unsuccessful actions.

This issue is discussed in more detail below.

OTHER CONSIDERATIONS RELEVANT TO WINPAR SHAREHOLDERS

The market price of Winpar shares.

The trading of Winpar shares on the NSX since 1 January 2003 is as follows:

Date	Volume	Price
28 May 2003	16,000	\$0.70
30 June 2003	3,100	\$0.70
7 October 2003	38,770	\$0.70

As disclosed under the heading *Dealings in Winpar shares by Winpar directors* on page 9, certain of the Winpar directors have bought Winpar shares off market at prices between \$0.70 and \$1.00.

The directors acknowledge that Winpar shares have low liquidity. One step being taken by the Winpar directors aimed at remedying this is to implement systems to enable the regular publication of the NTA of Winpar shares. Trent apparently has no such policy.

Trading in Trent shares since the Trent offer was announced

The following table sets out the high and low share price for Trent shares traded on ASX after 30 October 2003, the date of the announcement of the Trent offer.

Date	Volume	High	Low	Number of shares bought by the chairman of Trent or his associates *
31 October 2003	0			
3 November 2003	2,000	\$1.06	\$1.06	
4 November 2003	500	\$1.06	\$1.06	
5 November 2003	0			
6 November 2003	0			
7 November 2003	0			
10 November 2003	0			
11 November 2003	22,400	\$1.05	\$1.02	
12 November 2003	0			
13 November 2003	0			
14 November 2003	0			
17 November 2003	2,500	\$1.03	\$1.03	
18 November 2003	0			
19 November 2003	0			
20 November 2003	0			
21 November 2003	0			2,401
24 November 2003	0			
25 November 2003	500	\$1.05	\$1.05	
26 November 2003	31,300	\$1.05	\$1.00	
27 November 2003	500	\$1.01	\$1.01	20,000
28 November 2003	0			
1 December 2003	18,200	\$1.01	\$1.00	
2 December 2003	1,900	\$1.00	\$1.00	8,095
3 December 2003	0			
4 December 2003	0			
5 December 2003	0			
8 December 2003	0			
9 December 2003	0			
10 December 2003	0			1,095
11 December 2003	0			
12 December 2003	5,595	\$1.01	\$1.00	
15 December 2003	12,400	\$1.01	\$1.01	
16 December 2003	0			
17 December 2003	2,405	\$1.01	\$0.98	
18 December 2003	0			
19 December 2003	3,000	\$1.02	\$1.02	

* Note: These figures are extracted from the Change of Director's Interest Notices submitted by the Trent chairman. No explanation is available as why the interests changed on dates on which there was less shares traded in the market than the interests acquired.

As can be seen from this table, Trent shares are thinly traded and the market in Trent shares is illiquid. For the period from 31 October 2003 to 19 December 2003, an associate of the chairman of Trent bought 30.6% of the Trent shares traded on the market for that period. The Winpar directors believe that the buying of Trent shares by the chairman's associate could have influenced the Trent share price.

Winpar's litigation strategy

Winpar has participated in a number of cases raising legal issues directly relevant to the value of Winpar's investments. In most cases, Winpar has not been the sole shareholder involved.

The cases in which Winpar has been involved are:

Nature of issue	Case Citation	Company in which Winpar has holding	Current status	Costs incurred
Compulsory Acquisition of preference shares	<i>Energex Ltd v Elkington & Ors</i> [2003] QCA 430	Allgas Energy Limited	Application for special leave to appeal to High Court of Australia lodged. Expected to be heard in March 2004.	FY 2003 \$121,242
	<i>Energex Ltd v Elkington & Ors</i> [2002] QSC 363			
	<i>Re Goodyear Australia Limited; Kelly-Springfield Australia Pty Limited v Green & Ors</i> [2002] NSWSC 53	Goodyear Australia Limited	Legal proceedings concluded	FY 2003 \$19,367
	<i>Austrim Nyllex Limited v Kröll & Ors (No. 2)</i> [2002] VSC 193	National Consolidated Limited	Appeal lodged. Expected to be heard in first half of 2004.	FY 2003 \$123,104
Extent of ASIC power to modify the law	<i>Australian Securities and Investments Commission v DB Management Pty Ltd; Southcorp Wines</i> [2000] HCA 7	Coldstream Australasia Limited	Legal proceedings concluded in February 2000.	FY 2002 \$22,806 FY 2003 \$62,500
	<i>D B Management Pty Ltd v Australian Securities & Investment Commission</i> [1999] FCA 293			
	<i>DB Management Pty Ltd v Australian Securities Commission & Ors</i> [1998] FCA 796			
Use of selective reduction of capital to achieve takeover	<i>Winpar Holdings Ltd v Goldfields Kalgoorlie Ltd</i> [2001] NSWCA 427	Goldfields Kalgoorlie Limited	Legal proceedings concluded	FY 2001 \$2,223 FY 2002 \$117,900 FY 2003 \$2,759
	<i>Winpar Holdings Limited v Goldfields Kalgoorlie Limited</i> [2000] NSWSC 728			
Distribution of assets in specie to ordinary shareholder	<i>In the matter of Ransomes plc and in the matter of the Companies Act 1985</i> [1999] EWCA Civ 1732	Ransomes plc	Legal proceedings concluded	FY 2000 \$73,106 FY 2001 \$62,976
Compulsory acquisition following takeover		Joseph Holt plc	Legal proceedings concluded	FY 2002 \$27,365

Winpar has not participated in the proceedings *Pauls v Dwyer & Ors*, although Winpar has a holding in the target company in that case, Pauls Victoria Limited. Winpar contributed \$4,269.54 towards legal costs incurred by the parties in the 2001-2002 financial year, but this was refunded in the 2002-2003 financial year.

The directors provide the following comments on the legal issues raised in these cases, and their relevance to the company.

(a) *Valuation of preference shares on compulsory acquisition*

Part 6A.2 of the *Corporations Act* commenced operation in March 2000, and permits a 90% holder of a company to compulsorily acquire the outstanding equity for “fair value”. The legislation contains a fixed method for calculating fair value, which requires a value to be calculated for the company as a whole, and then that value to be allocated between the various classes of equity.

Longstanding holdings of preference shares by Winpar in four companies (Pauls Victoria Limited, Goodyear Australia Limited, National Consolidated Limited and Allgas Energy Limited) were the subject of compulsory acquisition notices under the grandfathering provisions of this new legislation.

In each of these cases, the 90% holder proposed a price which reflected merely the value of the fixed dividend entitlements attaching to the preference shares. Prior to the introduction of the legislation, preference shares of this type often attracted significant premiums in takeover situations. This attribute of the shares was not taken into account in the allocation of the value of the company as a whole between the classes.

The cases have exposed a divergence of judicial approaches to the valuation and legal issues. In *Re Goodyear Australia Limited; Kelly-Springfield Australia Pty Limited v Green & Ors* [2002] NSWSC 53, the Court would have included in the value of the company as a whole the value of synergy benefits to be obtained by the acquirer, but on the evidence was not satisfied there were any such synergy benefits. In the other cases, the Court has not included the value of synergy benefits in the value of the company as a whole. In *Energex Ltd v Elkington & Ors* [2003] QCA 430, Jerard JA expressed the view that preference shareholders were entitled to compensation based on the difference between market value of the shares (\$12.50) and the compulsory acquisition price of \$2.05. In Winpar’s case, the amount of compensation on this basis would be approximately \$795,000. However, this remains a minority view.

The directors believe there are good grounds for proceeding to the High Court, and a special leave application in relation to Allgas Energy Limited is expected to be heard in March 2004. Ongoing costs will be minimised by seeking to have the Allgas Energy Limited case heard together with the Pauls Victoria Limited case in the High Court, and sharing costs between the matters.

(b) *ASIC power to modify the Corporations Law*

Winpar challenged ASIC’s modification of the *Corporations Law* (as it then was) to allow a bidder in a takeover gain 100% control of the target, where the bidder would have been unable to do so in the absence of a modification. Winpar was successful in the Full Court of the Federal Court, but the bidder and ASIC successfully appealed to the High Court. Winpar was protected by an agreement with the bidder from any liability for the bidder’s costs, but was liable to contribute (together with the other shareholders involved) towards ASIC’s costs. Winpar believes that the extent of ASIC’s power to modify the law undermines the certainty that investors require to participate in the market, and is ultimately detrimental to the interests of the market. However, this is an issue which will have to be taken up in the political process at a suitable time.

(c) *Use of selective reduction to achieve a takeover*

Winpar challenged the use of a selective reduction of capital to achieve a takeover. The challenge involved considering the appropriate method of allocating the value of synergy benefits which will accrue to the ongoing shareholder. Although the Court upheld the selective reduction at first instance, the ongoing shareholder was ordered to pay Winpar’s costs, and Winpar recovered over 90% of the costs it actually incurred. Winpar’s appeal

failed, and Winpar paid the costs of the ongoing shareholder in the appeal.

Although the costs in the individual compulsory acquisition cases may have been disproportionate to the value of Winpar’s individual investment holdings as implied by the proposed compulsory acquisition price, the costs incurred are not disproportionate when one considers the potential value of the particular securities if Winpar’s arguments are ultimately successful in the High Court, and the significance of the cases to some of Winpar’s other holdings.

The potential value of the securities is illustrated by the apparent market value of the Allgas Limited preference shares being \$12.50, compared to the compulsory acquisition price of \$2.05.

Further, the ultimate outcome in the compulsory acquisition cases will directly impact on the value of other holdings of preference shares in Winpar’s investment portfolio.

The merit of Winpar’s approach in pursuing matters in a variety of jurisdictions is confirmed by the divergence of judicial opinions obtained. The judgment of Santow J in *Re Goodyear Australia Limited; Kelly-Springfield Australia Pty Limited v Green & Ors* [2002] NSWSC 53 adds substantial weight to Winpar’s argument that synergy benefits ought to be taken into account in the calculation of fair value under the compulsory acquisition provisions of the Corporations Act. While his view represents a minority judicial view on this issue, if Winpar had not pursued the case for reasons of principle, it would not now have the benefit of being able to refer to it.

The Trent offer is highly conditional

Trent’s Offer is highly conditional (including a 50.1% minimum acceptance condition). It is uncertain at this stage whether any or all of the conditions of Trent’s Offer will be fulfilled or waived.

Section 713 determination

On 9 December 2003, ASIC notified Winpar that it is considering making a determination under subsection 713(6) of the Corporations Act prohibiting Winpar from raising new capital without issuing a full prospectus until 12 months after the date of lodgement of financial reports for the periods 1 July 2002 to 31 December 2002 and 1 July 2002 to 30 June 2003. These financial reports have since been lodged with ASIC and Winpar has made submissions to ASIC that such a determination not be made.

The Winpar directors believe that it would be unwarranted of ASIC to make such a determination.

ADDITIONAL INFORMATION*Directors of Winpar and recommendation*

The directors of Winpar at the date of this target’s statement are:

Mr J W S Mackenzie (chairman)
 Mr R F Cameron (managing director)
 Dr G B Elkington
 Mr J D Honan
 Mr S S Pritchard

Each of the directors desires to make, and considers himself justified in making a recommendation to Winpar shareholders in relation to the Trent offer.

The directors unanimously recommend that Winpar shareholders reject the Trent offer for the reasons set out in this target’s statement.

Directors’ intentions

The Winpar directors, their associates and families hold or control approximately 23.3% of Winpar shares.

Each of the directors who has a relevant interest in Winpar shares, intends to reject the Trent offer in respect of all Winpar shares controlled by them.

Authorisation of the target’s statement

The directors voted unanimously in authorising this target’s statement.

Directors’ relevant interests in Winpar

At the date of this target’s statement, the directors have relevant interests in Winpar shares as set out in the following table:

Name of director	Number of Winpar shares held directly	Number of Winpar shares held indirectly
Mr J W S Mackenzie	44,200	100,000
Mr R F Cameron	43,822	111,045
Dr G B Elkington	194,614	88,293
Mr J D Honan	0	9,900
Mr S S Pritchard	0	8,700

Relevant interest in marketable securities of Trent held by directors of Winpar

No director has any relevant interest in any marketable securities of Trent, other than Mr Cameron who holds 5,000 Trent shares and Dr Elkington who has a relevant interest in 10,000 Trent shares.

Dealings in Winpar shares by Winpar directors

To the knowledge of Winpar or any director, there have been no acquisitions or disposals of Winpar shares by any director or any of their respective associates or any of their respective families’ members in the period of 4 months immediately preceding the date of this target’s statement, except as set out below:

Date	Director	Number of shares	Price per share	Acquisition or disposal
10 October 2003	Mr Cameron	12,906	\$0.70	acquisition

Dealings with Trent’s marketable securities by Winpar

Neither Winpar nor any associate of Winpar has acquired or disposed of marketable securities of Trent in the period of four months ending immediately preceding the date of this target’s statement.

Payments and benefits

As a result of the Trent offer, no benefit (other than a benefit permitted by section 200F or 200G of the Corporations Act) has been or will be given to a person:

- in connection with the retirement of a person from a board or managerial office in Winpar or a related body corporate of Winpar; or
- who holds, or has held a board or managerial office in Winpar or a related body corporate, or a spouse, relative or associate of such a person, in connection with the transfer of the whole or any part of the undertaking or property of Winpar.

None of the directors has agreed to receive, or is entitled to receive, any benefit from Trent which is conditional upon, or related to, the Trent offer other than in the capacity as a holder of Winpar shares.

No agreements connected with or conditional on the Trent offer

There is no agreement or arrangement made between any director or officer of Winpar and any other person in connection with or conditional upon the outcome of the Trent offer.

Interests of directors in contracts

No director of Winpar has any interest in any material contract entered into by Trent or its related bodies corporate as at the date of this target’s statement.

Changes in Winpar’s financial position

So far as is known by any of the directors, the financial position of Winpar has not materially changed since the Annual Report 2003 other than as set out below, and elsewhere in this target’s statement.

- Change in the unaudited NTA backing of Winpar shares as at 30 November 2003 to \$1.12 after providing for income tax on unrealised gains;
- The takeover offer by Trent has necessarily involved Winpar engaging the services of financial and legal advisers in order to respond appropriately to shareholders, including to inform shareholders of a recommended course of action. The impact of these costs is yet to be quantified.

Effect of acceptance of the Trent offer

The effect of the acceptance of the Trent offer is set out in section 8.7 of the bidder’s statement. Winpar shareholders should read these provisions in full and understand the effect acceptance will have on their ability to exercise the rights attaching to their Winpar shares and the representations and warranties which they give by accepting the Trent offer. In particular, Winpar shareholders should note the following:

- once a Winpar shareholder accepts the Trent offer, they will only be able to withdraw that acceptance in very limited circumstances including:
- if Trent varies the Trent offer in such a way that postpones the time when Trent needs to satisfy its obligations under the bid by more than 1 month (this would occur if Trent extends the Trent offer period by more than 1 month while the Trent offer is subject to a defeating condition);
- if the Trent offer remains conditional at the expiry of the time that it may be freed from conditions (12 January 2004) then any contracts arising from acceptance of the Trent offer

are automatically void.

- even while the Trent offer remains subject to conditions, once a Winpar shareholder accepts the Trent offer, the Winpar shareholder is taken to have agreed not to attend or vote in person at any general or other meeting of Winpar (this means that if the Trent offer never becomes unconditional, Trent will never own or pay for the shares of the Winpar shareholders who accepted the Trent offer, yet in the interim may have exercised the power to requisition, convene, attend and vote at all general and other meetings of Winpar including voting the Winpar shares on important issues);
- By accepting the Trent offer a Winpar shareholder would have irrevocably authorised and directed Winpar to pay to Trent or to account to Trent for all dividends and other distributions and entitlement which are declared, paid or made which arise or accrue after the date of the Trent’s Offer in respect of the Winpar shares which Trent acquires from that shareholder pursuant to the Trent offer.

Taxation consequences

Winpar shareholders may incur a liability for taxation depending on their individual circumstances, as a result of accepting the Trent offer. The extent of that liability will depend on each Winpar shareholder’s individual circumstances.

Winpar shareholders are encouraged to seek professional advice on their specific circumstances if they are concerned about the tax implications of the Trent offer.

In light of the directors’ intention to reject the Trent offer and in light of the fact that the directors hold approximately 23.3% of Winpar shares, CGT rollover relief referred to in section 7.1 of the bidder’s statement, would not be available to Winpar shareholders because Trent would not become the owner of at least 80% of the voting shares in Winpar as a consequence of the Trent offer.

Other information

The target’s statement is required by the Corporations Act to include all the information that shareholders and their professional advisers would reasonably require to make an informed assessment of whether to accept the Trent offer but:

- only to the extent to which it is reasonable for investors and their professional advisers to find this information in this target’s statement; and
- only if the information is known to any of the directors.

The directors are of the opinion that there is no other information material to the making of a decision by a Winpar shareholder whether or not to accept the Trent offer, being information that is known to any of the directors and which has not previously been disclosed to Winpar shareholders or described in:

- the bidder’s statement;
- this target’s statement; and
- Winpar’s releases to NSX since 30 October 2003 to the date immediately preceding the date of this target’s statement, including Winpar’s 2003 annual report.

Consents

Stephen Blanks & Associates has given and not withdrawn its consent before the date of this target’s statement to being named in this target’s statement as legal adviser to Winpar. Stephen Blanks & Associates does not make or purport to make any statement that is included in this target’s statement and there is no statement in this target’s statement which is based on any statement of Stephen Blanks & Associates. Stephen Blanks & Associates specifically disclaims responsibility for any statement included in this target’s statement.

Westchester Corporate Finance has given and not withdrawn its consent before the date of this target’s statement to being named in this target’s statement as financial adviser to Winpar. Westchester Corporate Finance does not make or purport to make any statement that is included in this target’s statement and there is no statement in this target’s statement which is based on any statement of Westchester Corporate Finance. Westchester Corporate Finance specifically disclaims responsibility for any statement included in this target’s statement.

This target’s statement contains statements made, or based on statements made, in documents lodged by Trent with ASIC or given to ASX or Winpar by Trent, and also publicly available transcript of Court proceedings in *Andrew Brown v Westpac Banking Corporation and ors*. Pursuant to an ASIC class order, the consent of Trent and Andrew Brown is not required for the inclusion of these statements in this target’s statement.

Assumptions

In preparing this document, the following assumptions have been made:

- all Winpar shareholders have been provided with a copy of the bidder’s statement (if not, the shareholders concerned should immediately contact Trent to obtain a copy of this document); and
- all Winpar shareholders have read the bidder’s statement in full and have sought independent financial, legal or other professional advice here considered necessary or desirable in respect of the contents of the Trent offer.

Glossary

In this target’s statement the following defined terms are used, unless the contrary intention appears or the context requires otherwise:

ASIC means Australian Securities and investments Commission;

ASX means Australian Stock Exchange Limited ABN 98 008 624 691;

Bidder’s statement means the bidder’s statement dated 5 December 2003, being the statement of Trent under Part 6.5 of the Corporations Act relating to the Trent offer;

Corporations Act means Corporations Act 2001 (Cth);

NSX means Stock Exchange of Newcastle, NSX Limited ABN 11 000 902 063;

NTA means net tangible assets;

Takeover bid means the off-market takeover bid made by Trent pursuant to the bidder’s statement, for all of the Winpar shares, under Chapter 6 of the Corporations Act;

Trent means Trent Capital Limited ACN 001 746 710;

Trent offer means the offer made by Trent to acquire Winpar shares as set out in the bidder’s statement;

Winpar means Winpar Holdings Limited ACN 003 035 523;

Winpar shares means fully paid ordinary shares in Winpar.

Interpretation

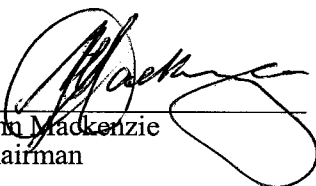
Unless specified otherwise, or otherwise required by the context, all words and phrases in this target’s statement shall have the meaning given to them in the *Corporations Act 2001*.

Headings are for convenience only and do not affect Interpretation. The following rules apply unless the context requires otherwise:

- the singular includes the plural and conversely;
- a gender includes all genders;
- all reference to “dollar’ or “\$” refer to Australian currency;
- if a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- a reference to a person includes a body corporate, an unincorporated body or other entity and conversely; and
- a reference to legislation or to provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it.

DATED 24 December 2003 being the date on which this document is lodged with ASIC.

SIGNED for and on behalf of Winpar pursuant to a resolution passed at a meeting of all the directors:


John Mackenzie
Chairman